

3 FAH-1 H-3250 OFFICIAL RESIDENCE EXPENSES

This subchapter contains procedures and guidelines which implement the regulations published in 3 FAM 3250 and Chapter 400 of the Standardized Regulations and should be read in conjunction with those publications

3 FAH-1 H-3251 ACCOUNTS CHARGEABLE FOR EXPENSES OF AN OFFICIAL RESIDENCE

3 FAH-1 H-3251.1 Chargeable Expenses

(TL:POH-10; 4-4-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps-USDA)

(Applies to Foreign Service and Civil Service employees)

Expenses of operating an official residence are not chargeable solely as an official residence expense. Refer to 6 FAM 710 and 6 FAM 760 for regulations covering the usual expenses for operation, maintenance, and repair of Government- held residential quarters and personal property which are charge-able to other expense classifications.

3 FAH-1 H-3251.2 Alternate Funding

(TL:POH-10; 4-4-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps-USDA)

(Applies to Foreign Service and Civil Service employees)

Provisions may be made for alternative methods of funding some or all of the expenses identified in sections STR 451 , STR 452 and STR 453 of the Standardized Regulations. Under these circumstances, no reimbursement may be made from Official Residence Expense.

3 FAH-1 H-3251.3 Expenses Charged to Principal Representative

(TL:POH-10; 4-4-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps-USDA)

(Applies to Foreign Service and Civil Service employees)

Five percent of salary of a principal representative is charged for household expenses. This charge is borne personally regardless of rank, grade or

type of appointment. The five percent charge is also applied to the additional compensation, if any, that a principal representative receives for service as a chief of mission, ambassador, chargé d'affairs, chargé d'affairs ad interim, or for service in some other similar capacity as an officer in charge of operations of an organizational unit or post. Other allowances, differentials or special compensation are not included in the five percent charge for house-hold expenses.

3 FAH-1 H-3252 DOMESTIC STAFF

3 FAH-1 H-3252.1 General

(TL:POH-10; 4-4-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps-USDA)

(Applies to Foreign Service and Civil Service employees)

a. Heads of overseas establishments should jointly develop and issue for the use of U.S. personnel a statement outlining requirements and criteria for hiring domestic staffs. These statements should assure that U.S. personnel treat their domestic staffs fairly and provide them employment conditions which conform to local law and customs in the host country.

b. The provisions of this section apply equally to U.S. employees who have domestic servants for whom they receive no reimbursement under ORE.

3 FAH-1 H-3252.2 Employment Status of Domestics

(TL:POH-10; 4-4-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps-USDA)

(Applies to Foreign Service and Civil Service employees)

a. Domestic servants who work as ORE employee and other domestic staff for U.S. personnel assigned to missions abroad are neither Federal employees nor employees of the U.S. mission. They are employees of the individual in whose home they work.

b. The lack of a direct employee/employer relationship with the Federal government should be clearly understood by all administrative staff members who deal with the ORE employees, both when they enter on duty and periodically during their employment.

3 FAH-1 H-3252.3 Employer Responsibility

3 FAH-1 H-3252.3-1 Officials Designated to Receive ORE Funds

(TL:POH-10; 4-4-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps-USDA)

(Applies to Foreign Service and Civil Service employees)

a. Principal U.S. Government representatives who are designated to receive ORE funds are individually responsible for providing comparable wages, fringe benefits, terms of employment, and working conditions for domestic staff, in accordance with local law and custom.

b. ORE-designated representatives may be reimbursed from ORE fund as provided in sections 411e and 451a of the Standardized Regulations, for those domestics whose salaries are properly reimbursable from ORE funds.

c. Claims for reimbursement of fringe benefits made to or on behalf of official residence staff members are shown on ORE vouchers as a "domestics maintenance" expense.

3 FAH-1 H-3252.4 Retirement Coverage

3 FAH-1 H-3252.4-1 Host Government Social Insurance System

(TL:POH-10; 4-4-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps-USDA)

(Applies to Foreign Service and Civil Service employees)

a. Coverage Normally Mandatory

(1) U.S. employees who have domestic staffs will normally provide for retirement coverage for their household employees through participation in a host government social insurance system which includes retirement benefits. This should be done even where a mission does not participate in the local system on behalf of its FSN employees, unless the domestic staff members are not nationals or permanent residents of the host country and are covered under the social security laws of another country.

(2) The U.S. employee, as the employer, is responsible for arranging for retirement coverage and for making payments of the employer's share of the contribution to the retirement fund, except where it is local practice for the domestic employee to do so. An employee should seek the assistance of the post's administrative officer in making arrangements with the appropriate host government office.

b. Guidance

The ranking officers, or their designees, of State, USAID, USIA, Commerce and Foreign Service Corps-USDA overseas establishments in a country should jointly develop guidelines governing individual employer participation in a local retirement system on behalf of domestic staffs. These guidelines should be included in the post's orientation material for U.S. employees.

c. Host Government Laws Do Not Permit Coverage

Where host government laws do not permit an individual employer to cover domestic staff under the local social insurance plan, the mission should investigate the possibility of domestic staff members participating individually on a voluntary basis.

d. Payment of Contributions

(1) The employee's portion of the contribution will normally be deducted from the employee's pay.

(2) If it is customary for employees to make their own payments, U.S. employers will assure themselves to the extent practicable that such payments are being made regularly.

3 FAH-1 H-3252.4-2 Posts Pension Plan

(TL:POH-10; 4-4-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps-USDA)

(Applies to Foreign Service and Civil Service employees)

a. In localities where the post has established a private pension benefits plan for FSN employees, U.S. employees who have domestic staffs and officers designated to receive ORE funds should investigate with the post the feasibility of covering their employees under the post's plan. The insurer may agree to include such employees under the post's plan by rider to the post's contract. In, such an event, the rider should clearly specify that the individual employee of each affected domestic staff employee, not the U.S. Government, is liable for the payment of premiums and assumes all other employer obligations under the terms of the contract. The rider should also state that the premium payments will be sent by the individual U.S. employee directly to the insurer.

b. Before placing domestic staff under a post's pension plan, the mission should keep in mind that not all situations which make post participation in the local social security system infeasible also make individual participation infeasible.

Coverage under posts pension plans rather than local social security should be limited to instances in which either no social security system is available or individual participation is not possible.

3 FAH-1 H-3252.5 Health Protection

3 FAH-1 H-3252.5-1 Employer Responsibility

(TL:POH-10; 4-4-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps-USDA)

(Applies to Foreign Service and Civil Service employees)

It is the individual responsibility of officers designated to receive ORE funds, and of all other U.S. employees abroad who have domestic staffs, to provide, as an employer, health protection to their household employees in localities where it is the prevailing practice of private individuals to provide such protection to their domestic help.

3 FAH-1 H-3252.5-2 Sources of Coverage

(TL:POH-10; 4-4-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps-USDA)

(Applies to Foreign Service and Civil Service employees)

a. Host Government Social Insurance System

Section 3 FAH-1 H-3252.4-1 applies to those localities where health protection is an integral part of the host government's social insurance system.

b. Post Health Insurance Plan

Some posts have secured group health protection for their FSN employees through a private insurance carrier. Guidance under section 3 FAH-1 H-3252.4-2 on retirement coverage is also applicable to post health insurance plans concluded with a private insurance carrier.

3 FAH-1 H-3252.6 Severance Pay

(TL:POH-10; 4-4-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps-USDA)

(Applies to Foreign Service and Civil Service employees)

a. Severance pay for official residence staff members may be reimbursed or paid from ORE funds to the extent that such payment is consistent with local custom. Particularly in the absence of any other retirement plan for long-service official residence domestics, severance pay may be a means to provide some financial assistance at retirement time.

b. Before any reimbursements or payments of severance pay for official residence staffs are made from ORE funds, the post must determine:

(1) Whether severance pay for domestics is the practice at embassies of other governments or at foreign business firms where the foreign manager inherits a staff of servants from a predecessor; and, if so,

(2) Whether any severance payment made customarily covers a domestic's total service with the embassy or firm, or just service for the person who terminates a domestic's employment; and

(3) What other circumstances or conditions of service affect severance pay granted domestics of other embassies or firms; and

(4) The customary amount of severance pay given domestics by other embassies or firms.

c. In order to qualify for ORE reimbursement, the amount of severance pay reimbursements or payments should not exceed the amount determined to be customary. Amounts in excess of what is determined to be customary will be considered as a personal expense, and if already reimbursed, will be recoverable as a personal expense erroneously paid from official funds. If the customary severance pay in the country is the same for domestics as for other workers, the embassy's severance pay plan may be a useful guide in determining appropriate payments.

d. All reimbursement or payments of severance pay from the official residence allotment are subject to availability of funds at the post.

3 FAH-1 H-3252.7 Employment of Nationals of Designated Countries

(TL:POH-10; 4-4-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps-USDA)

(Applies to Foreign Service and Civil Service employees)

a. U.S. employees may not bring any nationals of any country on the Designated Countries List to any other country as a domestic servant or in any other capacity unless advance written permission is obtained from:

State	Under Secretary for Management through the Assistance Secretary for Diplomatic Security;
USIA	Associated Director for Management through the Director, Office of Security
USAID	Director of Human Resources through the Inspector General, Office of Security;
Foreign Service Corps USDA	FAS: Assistance Administrator Management; APHIS: Deputy Administrator, International Services.
Commerce	Assistance Secretary for Administration through the Director, Office of Security

b. The Bureau of Consular Affairs will advise approving officers, as appropriate.

3 FAH-1 H-3252.8 Employment of Non-Local Citizens

3 FAH-1 H-3252.8-1 General

(TL:POH-10; 4-4-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps-USDA)

(Applies to Foreign Service and Civil Service employees)

While non-local citizens may be hired as domestic servants, in many countries this is a very sensitive issue. Local governments may feel rightly that a local citizen may be qualified and available for such a position and therefore make it difficult, if not impossible, to obtain visas and work permits for a non-local citizen domestic. Well in advance of anticipated arrival at post, employees should consult the administrative office for any restrictions, special, requirement, and specific procedures for obtaining a host government visa for the non-local citizen servant.

3 FAH-1 H-3252.8-2 Payment of Travel Expenses

(TL:POH-10; 4-4-96)

(Uniform State/USAID/USIA/Commerce/Foreign Service Corps-USDA)

(Applies to Foreign Service and Civil Service employees)

a. The fact that the servants' wages include travel costs to/from the place where work is to be performed must be clearly stated in the employment contract or agreement. The amount of the travel expenses must also be separately identified in the work contract.

b. Posts which establish a need to employ an ORE domestic servant from outside the country (which also involves travel costs for the individual) must certify in writing that there are no household servants available locally to perform the specific function for which hired.

c. In State, the written certification and other appropriate documentation necessary should be forwarded to IO or the Regional Bureau Executive Director who is responsible for ensuring that the need has been adequately documented and justified. No international travel expenses can be considered for inclusion in an employee's wages until after the request has been reviewed and approved. The Executive Director will provide an information copy of all documentation regarding the particular request to the Allowances Staff. A copy of the certification and supporting documentation used by the post to establish the need to employ a household servant from outside the host country must also be maintained in the post's file for subsequent review as necessary. If a certification cannot be made, all travel expenses will be the responsibility of the employer.

**3 FAH-1 H-3253 THROUGH H-3259
UNASSIGNED**